

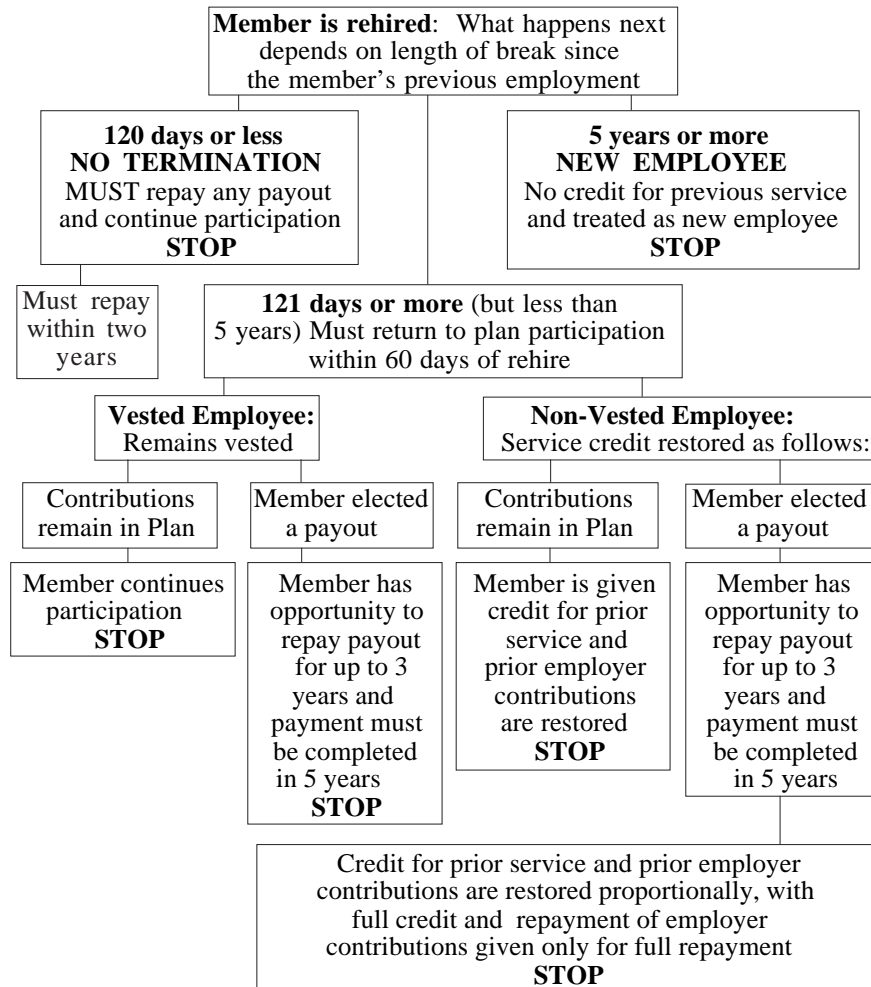
## CHAPTER 5

# REEMPLOYMENT

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# REEMPLOYMENT

The following is a diagram showing the reemployment and plan participation rules for a returning County Plan member under age 55:



**NOTE:** A member retiring from the county (at least age 55), that later returns to employment with a county under the County Plan, will return as a “new” employee. There will be no recognition of prior county service toward eligibility or vesting credit.

As a new employee, if and when the member meets eligibility requirements and is enrolled in the Plan, his/her participation will be in the Cash Balance benefit. If the member has a Defined Contribution account from previous Plan participation, that account will be converted to a Cash Balance account.

**WARNING:** If a member returns to work with the county in *any capacity before 120 days* have elapsed from his/her termination/retirement, they are not entitled to receive any funds and they must repay any funds distributed to them. *You should notify NPERS immediately* if this situation occurs with a member. NPERS will contact the member as soon as possible to discuss repayment options if necessary or stop a withdrawal from being taken from their account if one is in progress.

## Reemployment Checklist

- Have employee/member complete an Application for Vesting Credit form (see FORMS). NPERS will determine if the employee/member should receive vesting credit from another outside governmental entity since he/she last left employment with the county.
- Give employee/member a Beneficiary Designation Form and a PIN Request Form (see FORMS) to use in updating his/her account information. In addition, give the employee/member a County Plan booklet so he/she is aware of any changes to the Plan since they last participated.
- If you are unsure of an employee's/member's eligibility to rejoin the Plan, please call NPERS to receive verification on when he/she should resume contributions to the Plan.
- Provide the employee/member with information on enrolling or reentering the deferred compensation plan offered by the county.

## Repayment of Refund

### Mandatory Repayment of Refund

If a member returns to work with the county in **any capacity before 120 days have elapsed** from his/her termination/retirement, he/she is not entitled to receive any funds and must repay any funds distributed to them. *You should notify NPERS immediately* if this situation occurs with a member. NPERS will contact the member as soon as possible to discuss repayment options if necessary or stop a withdrawal from being taken from the account if one is in progress.

**Form to Submit:** If such a mandatory repayment is required, NPERS will provide a Method of Payment form to **the member** to complete and return to the county clerk. The county clerk should then forward this form to NPERS. On this form, the member will indicate the method of repayment (direct after-tax payment, qualified pre-tax rollover, or installment payments). If installment payments are selected, the member will also indicate a number of months over which the repayment will take place, up to 24 months. (IMPORTANT: For mandatory repayments, the repayment must be completed *within 24 months of the member's re-employment*; therefore, the maximum repayment period will actually be *less than 24 months*.)

If a member does not complete the required paperwork to repay the refund **within 30 days** of notice being provided to them, the county should set up an installment repayment utilizing the maximum time allowed to the member. (When calculating the maximum repayment period, please remember the repayment must be completed by the 24th month after re-employment.)

**Form to Submit:** NPERS requests that each county provide NPERS, on a **quarterly basis**, a list of members making installment payments together with payment amounts. For your convenience, this information may be provided via fax (402-471-9493) or e-mail ([www.npers.ne.gov](http://www.npers.ne.gov)) to NPERS.

## Voluntary Repayment of Refund

If a member returns to work **after 120 days, but less than five years** from their termination, they will have the option to voluntarily repay a refund that was taken after they terminated. A member must make an election to repay within three years of re-employment, and the repayment must be completed within five years of re-employment.

**Form to Submit:** If the re-employed member requests to voluntarily repay the refund, NPERS will provide a Method of Payment form to the member for him/her to complete and return to the county clerk. This form appears the same as that used for mandatory repayments, with the exception of the installment payments section. This section lists up to five years from date of re-employment to repay, rather than the two years that is allowed for mandatory repayments.

In addition, NPERS requests that for voluntary repayments, each county provide NPERS, on a **quarterly basis**, a list of members making installment payments together with payment amounts. For your convenience, this information may be provided via fax (402-471-9493) or e-mail ([www.npers.ne.gov](http://www.npers.ne.gov)) to NPERS.

**NOTE:** If a member is re-employed after five years, there is no option to repay a past refund. There is no credit for previous service in the County Plan, and the member is treated as a new employee.

